## STATE OF NORTH DAKOTA COUNTY OF BURLEIGH

### BEFORE THE SECURITIES COMMISSIONER

In the Matter of Global Prosperity Group,	)
The Global Leadership Council, The Institute	) CEASE AND DESIST ORDER,
of Global Prosperity, Dan Andersen, David	) NOTICE OF CIVIL PENALTY,
Struckman, Zo LaMantia, and their officers,	) AND NOTICE OF RIGHT
directors, agents, employees and associates	) TO REQUEST A HEARING
	)
Respondents.	)

THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA TO GLOBAL PROSPERITY GROUP, THE GLOBAL LEADERSHIP COUNCIL, THE INSTITUTE OF GLOBAL PROSPERITY, DAN ANDERSEN, DAVID STRUCKMAN, ZO LAMANTIA, AND THEIR OFFICERS, DIRECTORS, AGENTS, EMPLOYEES AND ASSOCIATES:

The Securities Commissioner has reason to believe that the Respondents have engaged in, are engaging in, or are about to engage in, acts, practices or transactions, as more fully described below, which are prohibited under Chapter 10-04 of the North Dakota Century Code (N.D.C.C.). It is necessary and appropriate in the public interest and for the protection of investors to restrain these acts, practices, or transactions of the Respondents.

- 1. The Respondents have offered for sale and/or sold investments which are securities as defined in §10-04-02(13) N.D.C.C., to residents of North Dakota in violation of §10-04-04 N.D.C.C.
- 2. The subject investments have not been registered with the Securities Commissioner under §10-04-07; §10-04-07.1; §10-04-08; or §10-04-08.1 N.D.C.C.; are not exempt securities under §10-04-05 N.D.C.C; and have not been offered for sale or sold in exempt transactions under §10-04-06 N.D.C.C.
- 3. The Respondents have failed to register as dealers in violation of §10-04-10(1) N.D.C.C.
- 4. The Respondents have failed to register any salesman in violation of §10-04-10(2) N.D.C.C.
- 5. The subject investments are designed to be a "scheme, device or artifice to defraud" North Dakota residents in violation of §10-04-15(2) N.D.C.C.
- 6. Respondents violated the Commissioner's Cease and Desist Orders issued on April 3, 1998, April 17, 1998, and April 20, 1998.

**NOW, THEREFORE, IT IS ORDERED**, pursuant to §10-04-16 N.D.C.C., that the Respondents immediately shall **CEASE AND DESIST**:

- 1. From offering for sale or selling in North Dakota the subject investment, or any other investment interest however denominated, unless and until such investment interests have been registered with the Securities Commissioner.
- 2. From offering for sale or selling investments in North Dakota unless and until they have registered with the Securities Commissioner as dealers or salesmen.
- 3. From providing a guarantee on rates of return on investments or otherwise engaging in a fraudulent act while offering for sale or selling investments in North Dakota.

This order does not prohibit the offer or sale of securities through exempt securities transactions under §10-04-06 N.D.C.C., nor does it prohibit <u>registered</u> dealers and sales agents form offering or selling exempt securities under §10-04-05 N.D.C.C.

#### NOTICE OF CIVIL PENALTIES

YOU ARE NOTIFIED that the above-cited violations are sufficient grounds for the imposition of civil penalties pursuant to §10-04-16(1) N.D.C.C. The Securities Commissioner herein assesses civil penalties in the amount of \$10,000 each to the Global Leadership Council, the Global Prosperity Group, and the Institute of Global Prosperity for violating the Commissioner's Cease and Desist Orders dated April 3, 1998 as expressed in number 6 of the Commissioner's findings herein. The civil penalties assessed herein are in addition to all civil penalties previously assessed including the civil penalties assessed in the Commissioner's Orders dated April 17, 1998 and April 20, 1998. The Commissioner also expressly reserves the authority to assess additional civil penalties against the Global Leadership Council, and any or all of its members, and the Global Prosperity Group, the institute of Global Prosperity and any or all of its officers, directors, agents, employees and associates regarding the violations outlined above (except to the extent that civil penalties have already been assessed), any other violations subsequently discovered, or any future securities violations or violations of this order.

### NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to §10-04-12 N.D.C.C. you may request a hearing before the Securities Commissioner if such a request is made in writing <u>WITHIN TEN (10) DAYS AFTER THE RECEIPT OF THIS ORDER</u>. The respondent has the right to be represented by legal counsel at the hearing.

IN TESTIMONY WHEREOF, witness my hand and seal this 25<sup>th</sup> day of January,

2001.



Syver Vinje

North Dakota Securities Commissioner 600 East Boulevard Ave.

State Capitol – Fifth Floor Bismarck, ND 58505-0510

(701) 328-2910

## STATE OF NORTH DAKOTA COUNTY OF BURLEIGH

### BEFORE THE SECURITIES COMMISSIONER

AFFIDAVIT OF MAILING
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I, Jacqui Ferderer, being first duly sworn, state that I am a citizen of the United States over the age of twenty-one years and not a party to or interested in the above-entitled proceeding.

On this 25<sup>th</sup> day of January, 2001, I deposited in the Central Mailing Bureau of the United States Post Office Department in the State Capitol in Bismarck, North Dakota, a true and correct copy of each of the following documents:

# CEASE AND DESIST ORDER AND NOTICE OF RIGHT TO REQUEST A HEARING

A copy of the above document was securely enclosed in an envelope with postage duly prepaid, sent via certified mail, return receipt requested, addressed to each of the following:

Louis Font Font & Glazer 62 Harvard Street, Suite 100 Brookline, MA 02146

To the best of my knowledge, information, and belief, the address given above is the actual mailing address for the attorney of the party intended to be served.  $\Lambda$ 

Jacqui Ferderer

Subscribed and sworn to before me this 25<sup>th</sup> Day of January, 2001.

Diane Kambeitz, Notary Public Burleigh County, North Dakota My commission expires 4/26/2006